



Village of Cottage Grove

Village Administrator Memo

10.8.20

To: Finance Committee

Re: 2021 Draft Budget Review

Please read through this memo prior to your review of the current draft budget proposals. Please also see the attached memos that explain specific projects/initiatives/proposals. Department Head staff will be present at the meeting to further discuss specific projects and requests.

2021 Budget Notes

- 2019 tax levy for 2020 budget: \$4,220,470
- State allowed tax levy for 2021 budget: \$4,829,430
- 2019 assessed value (TID out): \$599,323,436
- 2020 estimated assessed value (TID out): \$724,294,100 (20.9% increase)
- Village Financial Management Plan levy for 2021 budget: \$4,459,891 (5.7% increase)

Approximate tax impact:

- 2019 tax rate \$7.04 per \$1,000 of value (\$1,761 on \$250,000 home)
- 2020 FMP proposed tax rate \$6.16 per \$1,000 of value (\$1,847 on \$300,000 home)
 - Equals \$86 increase on average tax bill (4.9% increase)

*--Note: tax impact figures based on an estimated assessed value (TID out) per FMP.
--2020 "average" Village home is assessed at about \$300,000 due to revaluation.*

- Committee/Department requested levy for 2021 budget: \$4,522,120
 - \$301,650 increase (\$62,229 over the Financial Management Plan approved levy)
 - 7.2% levy increase
 - \$123 increase on the average tax bill (7% increase)
- Administrator recommended tax levy for 2021 budget: \$4,428,139
 - \$207,669 increase (\$31,752 under the Financial Management Plan approved levy)
 - 4.9% levy increase
 - \$72 increase on the average tax bill (4.1% increase)

Items of note impacting the General Fund budget (Fund 100)

Note: the following figures reflect the requested expense or increase in expense over 2020.

- \$14,000 increase to State Transportation Aid revenue
- \$17,000 increase to investment income
- \$35,000 reduction in School Resource Officer revenue due to school being virtual
- \$30,000 increase for Legal Counsel to reflect new Attorney's rates
- \$10,000 reduction in Crossing Guards expense due to school being virtual
- \$39,000 increase in Village's share towards DGEMS
- \$7,000 increase in Public Works wages, which reflects 10% General Fund share of an additional Utility employee
- \$4,000 increase in Colonial Club contribution request
- \$14,000 increase in Parks and Playgrounds operating expense for annual Bakken Park splash pad and shelter maintenance

Note: Building inspection related revenues are expected to increase significantly, but there are corresponding expenses that lead building inspection to break even and have no budget impact.

Item of note impacting Street Tree Fund/Forestry Budget

- \$5,000 increase in operating expense (memo attached)

Items in the Village Capital Plan for 2021

Note: costs reflect Capital Fund impact (other funds such as the Water or Sewer Utility pick up portions of some of these costs)

- Wing mower: \$28,000
- Paint striper: \$6,000
- Police squad replacement: \$49,000
- Exercise equipment for Wellness Program: \$2,000
- Village Hall parking lot repaving: \$78,000
- Annual road repaving program: \$126,000
- Technology upgrades: \$25,000
- ADA compliance projects: \$10,000
- Natvig Landfill gas vent wells: \$22,000
- CDA capital projects: \$10,500
- Village building maintenance: \$28,000
- DGEMS Ambulance payment (year 1 of 2): \$53,000

Park Development Fund projects (non-levied monies funded via developers)

- Westlawn 4th Addition Park Playground: \$80,000

TID #5 Project

- CTH N Bike Path extension (phase 2): 450,000
 - There is a Dane County grant that the Village plans to apply for, which could fund up to half of the project.

TID 10: North Grove Corporate Park (NGCP)

- Public infrastructure projects: \$4.4 Million
 - Sanitary sewer, lift station and force main, watermain, storm sewer, CTH TT improvements, and NGCP internal road

Note: These projects are only a placeholder while development negotiations continue. The developer would need to successfully request this funding from the Village Board.

2021 Planned Borrowing

- Glacial Drumlin Trail extension/Clark Street and Grove Street reconstruction: \$3.5 Million (\$554,000 expected to be covered by reimbursable grant funding)
- BB West Urbanization (from Damascus to Buss Rd.) and Signalized intersection
 - The project's scope is undergoing an updated needs assessment and traffic engineering analysis given slowing development in the area. Final cost figures are expected later this Fall.

In Conclusion

As you review these materials and the proposed budget, please keep in mind that the document is in draft form and still has about a month and a half worth of revisions until it is finalized. Following the Finance Committee's review and recommendation, the Village Board will be holding a workshop on October 26th, with the hope of having an approved preliminary budget at the end of the meeting. Following the workshop, a public hearing on the budget will be scheduled for November 16th. In the interim, the Village will publish the budget and provide at least a 15 - day notice for the hearing. The budget will be made available both online and at Village Hall for review by the public. The Board could choose to approve the final budget at the November 16th or December 2nd meetings. Tax bills are due to be mailed out by December 21st.

As always, please let me know if you have any questions or would like to discuss anything further. You may call my cell phone (listed below) anytime. Thank you.

Sincerely,

Matt Giese

Village Administrator
920.254.5966



2021 Budget Request

MEMO DATE: October 2, 2020

TO: Finance & Personnel Committee and Village Board
CC: Matt Giese – Village Administrator

FROM: JJ Larson – Director of Public Works & Utilities

RE: Public Works Operating Budget

OVERVIEW/BACKGROUND

The economic impact of the pandemic has brought challenges to municipal finances, and further impacts are anticipated across the state and nation. With that in mind the 2021 operating budget request is around a 1% overall increase (not including any increases for wages/benefits) for the General Fund portion of our Department.

ITEMS OF NOTE IN THE BUDGET

- The Operating budget includes an additional \$7,300 to fund 10% of a newly created Utility position in 2021. While this position will primarily be working on Water & Sewer related responsibilities; there will be some work that falls under Public Works and therefore will be funded by the levy (additional memo included).
- The proposed budget includes a request for an additional \$6,000 for “Sustainability Initiatives.” This could be used to fund programs like the rain barrel or compost barrel programs other municipalities offer their residents. These funds could also be used for any number of other incentives, outreach, or education programs with a Sustainability focus in 2021.
- I’ve requested a small increase in Engineering Professional Services to ensure that our Department can continue to work closely and collaboratively with Kevin as we transition from long-time Village Engineer, Mike Maloney.
- The proposed budget also includes a small increase in Street Maintenance due to a 4.1% increase in salt pricing through the State contract.
- Another small increase is proposed in the Sidewalk line in order to continue our good progress.
- Similar to the Sustainability Initiatives, there is an increase in the “Beautification” line. There has been interest from the Board in pursuing various small projects to make our streets and sidewalks more appealing and these funds could be used for any specific project ideas that may be proposed.
- There are increases requested in the “Refuse” and “Landfill” lines as well; these are there to ensure that we have money to continue to manage our brush and compost. It is getting significantly more expensive annually to grind and dispose of our brush pile.
- Also, note there is only one Stormwater Intern position, and the Seasonal positions have been removed from the budget proposal.



BOARD PRIORITIES

While this budget proposal is virtually no increase, there are opportunities to align with some of the stated Board priorities. Depending on specific direction and projects, we can utilize relatively small amounts to encourage our residents to go green; whether it's by adding a rain barrel, composting their household waste, or adding a rain garden. We may also use funds from the Water & Sewer Utilities to work on similar projects and educational opportunities that would directly benefit water quality, the environment, and our residents.

The Board is also prioritizing Equity, Inclusivity and Race. I take great pride in the work we do in Public Works because the work we do is done for all residents, business owners, employees and visitors regardless of the color of their skin, where they were born, or how much money they make. We plow every street, fix every sidewalk and fill every pothole for everyone.

The Board also prioritizes fiscal responsibility. I contend that our Department is the embodiment of fiscally conservative, responsible, efficient service provision.

COMMITTEE RECOMMENDATION

The Public Works Committee recommended approval of the budget as presented.



PUBLIC WORKS STAFF REPORT

MEMO DATE: October 2, 2020

TO: Finance & Personnel Committee and Village Board
CC: Matt Giese – Village Administrator

FROM: JJ Larson – Village Director of Public Works & Utilities

RE: **Addition of Utility position**

BACKGROUND

As this Committee/Board is well aware, our Department is very lean when compared to similar communities. With the exception of our Foreman and half-time Forester, the staff all have the same position descriptions and share responsibility for all the work we do. In recent years, there has been a steady increase in the number of utility locate requests; which we are legally obligated to respond to; often on tight timelines. Our staff currently rotates the locate duties between staff weekly, but more and more time is being spent on these locate tickets, taking yet more staff time away from the work Marty and his team have to do. Likewise, we have seen an increasing number of right-of-way permit requests; of all sizes. These are typically reviewed and handled by me but following up on complete restoration, any corrective actions and close-out of all of the smaller ones can take significant time. Given that these duties alone could fill one FTE, I plan to propose a new position to the Utility Commission when we are discussing the Water and Sewer budgets in the coming months. When the locating and permitting work is slow; this position will also handle other preventive maintenance tasks that fall under the Water & Sewer Utilities purview like valve exercising, system mapping updates, manhole inspections, hydrant maintenance and flushing and could be utilized to assist in water meter maintenance. The intent is to also have this position take over winter plowing operations at the water and sewer facilities.

This planned position will typically report directly to the Director but may work under the Foreman in certain instances. The proposal calls for funding the position 45% Sewer, 45% Water and 10% General Fund given the nature of the responsibilities.

STAFF OVERVIEW

Having a position take on these utility-specific duties will ease the overall load on the rest of our staff by freeing up the increasing amount of time spent on legally-required responsibilities. Factoring a wage of \$22/hour and benefits, the General Fund portion of this proposed position would be around \$7,300 annually.

COMMITTEE RECOMMENDATION

The Public Works Committee recommended approval of the budget as presented.



2021 Budget Request

MEMO DATE: September 28, 2020

TO: Finance & Personnel Committee

FROM: Sean Brusegar, CPRP – Director of Parks, Recreation & Forestry

RE: Splash Pad Shelter Operating Cost Increase

OVERVIEW/BACKGROUND

The 2021 Parks, Recreation & Forestry budget includes a new budget line for the Bakken Park shelter and splash pad maintenance. \$14,400 will be used for splash pad electrical, water and sewer usage, chemical and maintenance costs. This budget line will also include internet service for the security cameras.

This budget increase was approved with the splash pad & shelter project for the 2020 budget cycle.

FINANCIAL IMPACT/FUNDING SOURCE

\$14,400 will come from the tax levy.



2021 Budget Request

MEMO DATE: October 6th, 2020

TO: Finance & Personnel Committee

FROM: Derek Westby – Cable TV Coordinator

RE: 2021 CIP Equipment Purchases

OVERVIEW/BACKGROUND

In 2021 the cable department will be seeking the following purchases:

1. Replacement of the village board room camera system. The existing camera system is very outdated and has too few cameras to properly record and broadcast a Village Board meeting. This cost will replace the two cameras with four HD cameras as well as a fully capable HD switcher that can handle HD streaming to YouTube as well as hybrid meetings. **Requested budget amount: \$18,000**
2. Installation of audience speakers in the Village Board Room. There have been request from audience members and trustees to have speakers installed so that audience members can hear the microphones. This requires a bit more than just an amp and speakers as feedback eliminators are also needed to manage the sound in the room. This cost would allow for installation of two speakers in the drop ceiling portion of the room. **Requested budget amount: \$1,600**

FUNDING SOURCE

Capital Fund

COMMITTEE RECOMMENDATION

The Public Relations Committee recommends \$20,000 be allocated to the Capital Fund for the expenses described above.



2021 Budget Request

MEMO DATE: October 5, 2020
MEETING DATE:
TO: Finance Committee
FROM: Chief Dan Layber, Police Department
RE: Budget Request – New Squad 2021

OVERVIEW/BACKGROUND

The Police Department is requesting a new squad car for 2021 as part of our capital replacement plan for our fleet of squads. The 2021 squad would replace a 2009 Ford Crown Victoria that has outlived its usefulness to our department. The squad would be removed from the fleet and sold on the open market with the minimal proceeds returned to the village's general fund.

FINANCIAL IMPACT The squad replacement will be close to the budgeted \$49,000 due to the cost of the new vehicle itself, along with the equipment necessary to outfit it such as a cage insert, new emergency lights, siren, push bar, center console, radio, etc. The purchase is recommended to be funded by the Capital Fund.

DEPARTMENT HEAD THOUGHTS/RECOMMENDATION

Recommend purchasing the vehicle to keep our fleet of vehicles as new as possible to reduce maintenance costs and to take advantage of safety enhancements to newer vehicles necessary for law enforcement driving.



CDA MEMO

MEMO DATE:	October 5, 2020
TO:	Village of Cottage Grove Board of Trustees
CC:	Matt Giese – Village Administrator
FROM:	Erin Ruth, AICP – Village Planning Director
RE:	2021 CDA Budget Request

OVERVIEW

In December 2019 the CDA confirmed that the four economic development goals listed in the Comprehensive Plan remain applicable and valid. The CDA has elected to seek the help of an outside consultant to provide a rebranding effort for Village in support of those goals, in particular Goal #1: Expand the Commercial Tax Base in the Village of Cottage Grove to ease the tax burden on local residential property owners.

The CDA issued an RFP for marketing services and received five responses. Based on those responses the CDA is requesting \$30,000 to engage one of those firms to undertake the project.

This amount would accommodate a scope of work that would include research on the Village's goals and objectives and a review of the marketing efforts by comparable local communities, rebranding including a new logo, and guidance on use of the rebranding and direction on future marketing efforts.

FUNDING SOURCE RECOMMENDATION

\$10,500 Capital Fund
\$15,000 TID #5
\$1,500 TID #8
\$1,500 TID \$9
\$1,500 TID #10



2021 Budget Request

MEMO DATE: October 2, 2020

TO: Finance & Personnel Committee and Village Board
CC: Matt Giese – Village Administrator

FROM: JJ Larson – Director of Public Works & Utilities

RE: Capital Plan for 2021

OVERVIEW/BACKGROUND

The Capital Plan funds scheduled equipment purchases and replacements, as well as smaller projects like building maintenance/upgrades, street repaving, technology upgrades, etc. In 2021 there is a total planned expenditure of \$238,000 in capital funds on Public Works projects & equipment.

- 2021 will be the third year of the capital road repaving plan. As we did last year, I intend to bring a recommended repave plan to the Public Works Committee for approval or modification prior to bidding the work. This is planned at \$126,000.
- The plan for 2021 also includes replacement of the Village Hall parking lot. This lot has been in poor condition for years and is long overdue for repaving. This is planned at \$78,000.
- The Capital Plan also allocates dollars for building maintenance projects. While planned work may fluctuate given the specific condition from year to year; this is where we can plan for things like HVAC replacements, lighting upgrades, etc. The plan for 2021 may look at areas to improve the HVAC units in the Village facilities that may also help us work towards our newly adopted Sustainability goals. This is budgeted at \$40,000, with \$28,000 being from the capital fund.
- Lastly, the Department plans to replace our paint striper with an estimated cost of \$6,000.

ITEMS OF NOTE IN THE PLAN

- We moved back a number of planned vehicle replacements. Of note to this Committee, a plow truck, and two Public Works pickups. These vehicles are operating well, and there won't be a major impact to their trade-in value by delaying their replacement.
- We also have not included the purchase of a leaf-vac truck. As I have noted, the addition of a leaf vac truck and collection program must include the addition of an FTE in our Department.

COMMITTEE RECOMENDATION

At the meeting on September 1, 2020 the Public Works Committee voted to approve the Capital plan as presented, with the additional recommendation that conversation continue on funding solar panels on the Municipal Services Building.



2021 Budget Request

MEMO DATE: September 28, 2020

TO: Finance & Personnel Committee

FROM: Sean Brusegar, CPRP – Director of Parks, Recreation & Forestry

RE: 2021 CIP Equipment Purchases

OVERVIEW

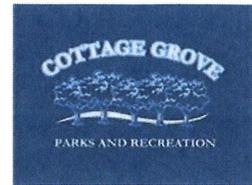
1. Replacement of a 2016 wing mower. This mower is used for mowing large, open spaces. The mower cuts a 12' path per pass. This mower currently has 1,500 hours. It has good resale value and is out of warranty. Purchase price: \$66,639.70. Trade in value for 2016 wing mower: \$20,000. **Requested budget amount: \$46,639.70. \$27,983.82 Capital Fund Impact.**
2. ADA Compliance projects. In 2021 we will continue to bring Fireman's Park into compliance. The work will include an ADA compliant path from the parking lot to the baseball field. If there is money remaining from the \$10,000 budget, we will identify other projects.

FUNDING SOURCE

Capital Fund Budget request totaling \$38,000 for the above items.

DEPARTMENT HEAD RECOMMENDATION

I recommend continuing to use the Capital Improvement Plan to purchase a wing mower replacement and ADA compliance projects.



2021 Budget Request

MEMO DATE: September 28, 2020

TO: Finance & Personnel Committee

FROM: Sean Brusegar, CPRP – Director of Parks, Recreation & Forestry

RE: Forestry Budget Increase

OVERVIEW/BACKGROUND

In the 2019 budget, the Operating Supplies/Expenses for the Forestry budget was \$9,180. In 2020, the same budget line was \$4,000. This reduction in the budget was likely due to the Director of Parks, Recreation & Forestry not hitting "save" on the budget before turning in the final department budget. The budget line was turned in without a budget number. It is my belief that since there wasn't a budget number put in, the 2019 through June actuals were used as a final budget number. The Operating Supplies/Expenses is used to purchase trees for the spring and fall plantings. The spring and fall plantings usually use approximately \$6,000 of the budget. This budget line also is used for purchasing forestry supplies such as tools and misc. supplies.

FINANCIAL IMPACT/FUNDING SOURCE

The **\$5,180** increase to get back to previous years would come from the tax levy.

DEPARTMENT HEAD RECOMMENDATION

Restore the Operating Supplies/Expenses line of the Forestry Budget to **\$9,180.00**



2021 Budget Request

MEMO DATE: October 5, 2020

TO: Finance & Personnel Committee and Village Board
CC: Matt Giese – Village Administrator

FROM: JJ Larson – Director of Public Works & Utilities

RE: TID 5 Funded Bike Path Extension North (Phase 2)

BACKGROUND

The extension of the bike path north to the Village limits has been planned for number of years. Two years ago, the project was split into two phases. In 2019, the Village was awarded PARC grant funding from Dane County for 50% of Phase 1 of the project. That project extended the off-street bike trail from Oak St. north along Main St. to Northlawn Dr.; there was already existing sidewalk along Main St. there, so this phase significantly added to the connectivity for the neighborhoods on the northeast section of the Village.

OVERVIEW

This project planned for 2021 will complete the extension north along Main St. from Northlawn all the way to the north end of the Village at I-94, completing our multi-modal connection entirely through the Village north & south. This project is estimated at \$450,000 and is planned to be paid for with existing TID 5 funds; there is no borrowing planned for this project.

As of this writing the County Executive has \$500,000 returned to PARC grant funding in his proposed County budget. If that funding opportunity remains from the County, it is our intention to seek this funding opportunity again; as we feel this project would score very well.

COMMITTEE RECOMMENDATION

At the meeting August 4th, 2020, the Public Works Committee recommended approval of the project as presented in the Financial Management Plan for 2021 completion.



2021 Budget Request

MEMO DATE: October 5, 2020

TO: Village of Cottage Grove Finance Committee

FROM: Sean Brusegar, CPRP – Director of Parks, Recreation & Forestry

RE: Redhawk Trail 1 Acre Park Playground

OVERVIEW/BACKGROUND:

The 1-acre lot in the 4th Addition to Westlawn has been dedicated to the Village of Cottage Grove and is ready to be improved. In 2019 the Financial Management Plan included \$80,000 towards improvements for the park. \$80,000 will be spent on a playground.

Recently, MSA has provided a plan for the park that also includes a half court basketball court and a 28' open air gazebo. These improvements will cost an additional \$186,000. This will be discussed later by the Parks, Recreation & Forestry Committee and ultimately the Village Board.

FINANCIAL IMPACT/FUNDING SOURCE:

Project cost and funding source: \$80,000 Park Development Fund.

DEPARTMENT HEAD RECOMMENDATION:

To design and install a new playground at the 1-acre park in the 4th Addition to Westlawn park as identified in the FMP.



2021 Budget Request

MEMO DATE: October 2, 2020

TO: Finance & Personnel Committee and Village Board

CC: Matt Giese – Village Administrator

FROM: JJ Larson – Director of Public Works & Utilities

RE: 2021 Capital Projects funded with Village Borrowing

OVERVIEW/BACKGROUND

The Financial Management Plan calls for a number of long-planned Public Works projects to be completed in 2021 utilizing borrowed funding.

Glacial Drumlin Trail/Clark St./Grove St. reconstruction project

This project began as a trail connection project to make the connection inside Village limits between Madison and the trailhead of the Glacial Drumlin trail; this project was awarded state TAP grant funding of \$554,000. In continuing discussion within the Public Works Committee over the past two years, it was decided to improve Clark St. to an urbanized street and over the last year the discussion of Grove St. was also added. Given that both Grove and Clark are in disrepair and in need of complete reconstruction, and with the construction of the Rugby facility, the Park Shelter, splashpad, and the recent start of work on the Miracle Field all occurring in 2020, the Committee directed staff to plan all of these in one project so the work can all take place at one time and not disrupt this area over more than one construction season. The project is planned to include additional street parking along Clark and Grove streets to handle the expected increase in traffic to the new facilities. The project is estimated to cost \$3.5 million with \$554,000 of that reimbursed from the TAP grant.

BB west/Buss Rd. Signalization

Initially the BB West Urbanization was put into the Financial Management Plan as a fully urbanized expansion of BB to four lanes from Damascus to Buss Rd. The specifics of the scope are undergoing an updated need assessment given the slowing of development in the area. We hope to have final estimated figures for this project later in the Fall.

COMMITTEE RECOMMENDATION

At the meeting August 4th, 2020, the Public Works Committee recommended approval of these projects as presented in the Financial Management Plan for 2021 completion.